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## Introducing... Online access to your defined benefit account



It's 9 p.m. Dinner's done, the kids are asleep and you suddenly remember you wanted to check with DRS on the service credit in your retirement account.

Now – even when it's past business hours – you can.

DRS' newest member service, *Defined Benefit Account Access*, allows you to view your individual retirement account over the Internet – 24 hours a day, seven days a week. With a few quick clicks of the mouse, you can

see your service credit information, employment history and account balance. You can also review your beneficiary designation, look over your annual statement and read the latest news from DRS.

Just visit our Web site at: [www.drs.wa.gov](http://www.drs.wa.gov), click on "Online Access to your Defined Benefit Account" and follow the instructions. Registration is fast, easy and secure.

We're already working on enhancements that will allow you to generate a benefit estimate based on your actual data. Watch for more information in the coming months.

*Defined Benefit Account Access*. Because retirement planning doesn't happen only during business hours. ■

*Retirement Outlook* is published by the Washington State Department of Retirement Systems.

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*Retirement Outlook* is available to members in alternate formats. For more information contact the editor at (360) 664-7097.

## January plan change opportunities

During January 2005 eligible members will have the opportunity to make changes to certain plan selections.

### Plan 2 to Plan 3

Eligible TRS, SERS and PERS Plan 2 members have the opportunity to transfer to Plan 3 during the month of January. For details, including eligibility criteria and tools to help you decide the best choice for your situation, please visit [www.drs.wa.gov](http://www.drs.wa.gov).

It's important to remember that the decision to transfer to Plan 3 is irrevocable – once you make that decision, you cannot return to Plan 2.

### TRS Plan 3 contribution rate

Also in January, TRS Plan 3 members will have the opportunity to change their contribution rate. Additional information about this option, including the required TRS Plan 3 Contribution Rate Change Form, is available on the TRS Plan 3 Web site at: [www.icmarc.org/plan3/trs/](http://www.icmarc.org/plan3/trs/). The form must be completed and submitted to your employer by January 31.

DRS has requested IRS approval for a similar contribution rate change window for PERS Plan 3 and SERS Plan 3 members, but this approval has not yet been granted. We will keep you informed of progress on this issue. ■



## Education employees to receive annual statements

Employees of public school districts, educational service districts and higher education institutions will receive their annual statements in November.

TRS Plan 1 statements show service credit and contributions for the fiscal year, while TRS Plan 2, SERS Plan 2 and PERS Plan 1 and 2 statements show service credit and contributions for the school year. Since Plan 3 members receive quarterly statements from DRS' contracted record keeper, ICMA Retirement Corporation, Plan 3 annual statements provide only service credit information.

Your employer is responsible for reporting to DRS the information shown on your statement. If you have questions about the information, please review your records with your payroll office before contacting DRS.

Retirement plan members working for non-education employers will receive their annual statements in March 2005. ■

# Frequently Asked Questions

The 2004 Legislature created the Public Safety Employees' Retirement System (PSERS) and, in some retirement systems, the option to purchase additional service credit. DRS has since received a number of questions. Here are answers to those most frequently asked:

## PSERS

### ***Q: Who will be eligible for membership in PSERS?***

- A: Public employees in specific job classes will be eligible. Job classes were listed in the July edition of this publication and are also available on the DRS Web site. Generally speaking, an employee's job duties must include the authority to carry a firearm to enforce the laws of the state of Washington. PSERS employers include:
- City/County – Corrections departments (except the cities of Seattle, Tacoma and Spokane)
  - State – Department of Corrections, Parks and Recreation Commission, Gambling Commission, State Patrol, Liquor Control Board

Only PERS Plan 2 and PERS Plan 3 members will be eligible to join PSERS.

### ***Q: What's the difference between PSERS and PERS?***

- A: PSERS may provide a full retirement benefit at an earlier date. PSERS provides a full benefit at age 65 with at least five years of service credit, or at age 60 with ten years of PSERS service credit. Early retirement will be available at age 53 for members with at least 20 years of PSERS service credit.

### ***Q: How do I become a member of PSERS?***

- A: Between July 1, 2006 and September 30, 2006, an "election period" will offer those eligible the opportunity to join PSERS. Materials to help make the decision between joining PSERS or remaining in PERS will be available from DRS.

### ***Q: If I transfer to PSERS, what happens to my PERS service credit and contributions?***

- A: Both your service credit and contributions will remain in PERS. You will begin accumulating PSERS service credit and contributions from the date you transfer. After transferring you will be a dual member, meaning you have membership in both PERS and PSERS. You can read more about dual membership on the DRS Web site.

## Purchase of Service Credit

### ***Q: Who will be eligible to purchase service credit?***

- A: Only PERS Plan 2 or Plan 3 or SERS Plan 2 or Plan 3 members will be eligible and those members must be retiring under early retirement provisions.

*Frequently Asked Questions continued on page 5*



## Plan ahead for your retirement

DRS offers *free* seminars and workshops to help you plan ahead for your retirement life. A seminar is a day-long session that covers a broad range of topics related to retirement. A workshop covers information specific to your state retirement plan. Your spouse or partner is welcome to attend.

- **Seminars** run from 8:00 a.m. to 5:00 p.m. and include presentations by experts in financial planning, estate planning, health insurance and Social Security. A seminar also includes a workshop on your state retirement plan and a presentation on the state's Deferred Compensation Program.
- **Workshops** help explain your DRS-administered state retirement plan. They run 60 to 90 minutes and cover service credits, retirement eligibility, benefit calculations, payment options and other plan-specific information.

Seminar time - 8:00 a.m. to 5:00 p.m. Workshop times - shown below			
	Plan 1	Plan 2	Plan 3
PERS	1:00 p.m. - 2:30 p.m.	11:15 a.m. - 12:45 p.m.	11:15 a.m. - 12:45 p.m.
SERS	---	11:15 a.m. - 12:45 p.m.	11:15 a.m. - 12:45 p.m.
TRS	1:00 p.m. - 2:30 p.m.	11:15 a.m. - 12:45 p.m.	11:15 a.m. - 12:45 p.m.
LEOFF	11:15 a.m. - 12:25 p.m.	12:30 p.m. - 1:30 p.m.	---
WSPRS	1:35 p.m. - 2:35 p.m.	---	---

**How to register:** First decide if you'll attend a seminar or a workshop, then follow the instructions below to register. You will receive a confirmation letter ten days before the event with a map and directions to the location.

- **Online:** Via the Internet at: [www.drs.wa.gov](http://www.drs.wa.gov) and click the *Seminar Schedule* button in the upper right corner below the DRS banner. Follow the instructions on the screen to register.
- **By telephone:** Call 1-888-711-6676 or (360) 664-7300 in the Olympia area. Hearing impaired members may call the TDD line toll-free at 1-866-377-8895 or (360) 586-5450 in the Olympia area.
- **By e-mail, U.S. mail or campus mail:** Send your registration by e-mail to [register@drs.wa.gov](mailto:register@drs.wa.gov) or by U.S. mail to PO Box 48380, Olympia, WA 98504-8380 or by campus mail to Mailstop 48380. If your spouse or partner will attend with you, include that person's name.

### DRS is planning seminars in the following cities after April 2005:

Bellingham, Edmonds, Everett, Pullman, Renton, Richland, Seattle, Spokane, Tacoma, Tumwater, Vancouver, Wenatchee and Yakima. Look for the May - August 2005 schedule in the February *Retirement Outlook*. ■

### Seminar and Workshop Locations & Dates January - April 2005

Kelso	Sat., Jan. 22
Port Orchard	Sat., Feb. 12
Tumwater*	Sat., Feb. 26
Seattle	Sat., March 19
Mount Vernon*	Sat., March 26
Ellensburg	Sat., April 9
Colville	Sat., April 23

**NOTE:** All locations include workshops for PERS, SERS and TRS members.

LEOFF and WSPRS workshops are offered only at the locations shown with an asterisk (\*).

## Comments from recent seminar participants

*"This was an excellent retirement seminar. I'm looking forward to attending another one closer to retirement."*

*"We appreciate the opportunity to take the seminars free of charge."*

*"Very beneficial and well worth a Saturday."*

## Update your address

If your mailing address has changed, please be sure your employer has the current one on your retirement account.

Keeping your address up-to-date will help ensure correspondence reaches you quickly and securely.

*Frequently Asked Questions continued from page 3*

***Q: Can I purchase additional service credit to qualify for retirement?***

A: No. Service credit can be purchased only to increase your retirement benefit, not to qualify for retirement.

***Q: How many years of service credit can I purchase?***

A: You can purchase up to five years of service credit in one-month increments.

***Q: How much will it cost?***

A: To arrive at the cost, you first determine your monthly retirement benefit with or without the additional service credit and then divide the difference by a specific actuarial factor. More information is available on the DRS Web site.

***Q: When and how do I pay for the purchase?***

A: You pay for the cost of your benefit increase at the time you apply for retirement.

***Q: How do I apply?***

A: Instructions, forms, online estimate tools and payment terms will be available from DRS in the spring of 2006. ■

## Members may receive service credit for substitute teaching, disability, military service

DRS members may receive service credit for time employed as a classified substitute school employee or a substitute teacher; for leave taken for a temporary disability; or for employment interrupted by military service. The guidelines covering what, and how much, service is credited are specific to the member's retirement plan.

Members of PERS Plan 1 and WSPRS Plan 1 may also be eligible for "non-interruptive" military service credit. This refers to military service that occurred prior to Plan 1 membership.

For more information, please call us toll-free at 1-800-547-6657 or visit our Web site at: [www.drs.wa.gov](http://www.drs.wa.gov). ■

This newsletter is delivered in bulk to employers.  
Changes to affixed mailing labels should be directed to your employer.



## Discover how DCAP can work for you – November is open enrollment

Washington's Dependent Care Assistance Program (DCAP) allows state government and higher education employees to reduce their federal income and social security taxes while paying for dependent care costs. If you incur child or other dependent care expenses, you should consider using DCAP.

### *How does it work?*

It's easy – Participants set aside an equal portion of their earnings each pay period before federal income and Social Security taxes are computed. The amounts set aside are then used to reimburse your dependent care expenses.

### *Will it help me?*

You can determine your additional tax savings under DCAP, compared to the IRS Child and Dependent Care Tax Credit, by reviewing the Projected 2005 Tax Savings Tables publication. The publication and additional DCAP information are available on the DRS Web site at: [www.drs.wa.gov](http://www.drs.wa.gov).

### *Flexibility improves program*

Changes to Internal Revenue Service (IRS) regulations have made the rules on midyear changes more liberal. Annual reduction changes are now allowable when an employee experiences a *qualifying* change in status at any time during the year.

### *How and when can I enroll in DCAP?*

Open enrollment occurs every November for the following calendar year (January – December). After open enrollment, new employees may enroll in DCAP within 60 days of employment. Employees experiencing a *qualifying* change in status may also enroll.

For additional information, contact DCAP customer service at (360) 664-7005, toll-free at 1-800-423-1524 (select option 4) or visit our Web site at: [www.drs.wa.gov](http://www.drs.wa.gov). ■

Have an article suggestion for *Retirement Outlook*? E-mail the editor at: [communications@drs.wa.gov](mailto:communications@drs.wa.gov).